



## 2008 MERS BOARD MOTIONS

### JANUARY 8-9, 2008 BOARD MEETING

#### OLD BUSINESS

##### **Service Credit Purchase**

MERS CEO presented the recommendation of the Service Credit Purchase Working Group, comprised of Luke Huelskamp, Michael Moquin, Debra Peake, Casandra Puffpaff, and Betsy Waldofsky, to amend Plan Section 7 (Generic Service) to allow of an installment program for the purchase of service credit. This program would be on a post tax basis with payments deducted from the purchasing member's bank account. This new purchase option could roll out in 2008. Program adoption will be by member municipality. Service will not be credited to the member's account until the purchase is paid in full. Members will be required to request and receive a valuation of the cost. The program will allow 90-days following the death of a purchasing member for the spouse or beneficiary to pay the purchase price in full; and 180 days from disability termination for the member to pay the remaining payments. Moved by Mr. Murphy to approve the recommendation contingent on the final forms being submitted to Board at the March meeting. Supported by Ms. Stahl. Motion carried.

##### **Closed Session**

Mr. Girard moved to go to closed session to review the minutes of the November closed session and to discuss a confidential attorney-client memorandum from Chief General Counsel Moquin, supported by Mr. Ogden.

Roll Call:     Mr. Opelt:     Yes  
                  Ms. Stahl:     Yes  
                  Ms. Dreves:    Yes  
                  Mr. Murphy:    Yes  
                  Mr. Ogden:     Yes  
                  Mr. Girard:     Yes  
                  Mr. Brown:     Yes  
                  Ms. Crumley:   Yes

The Board moved back into open session. In open session Ms. Stahl moved to approve the closed session minutes and take action recommended by Counsel's Memorandum, supported by Mr. Murphy. Motion approved.

#### GENERAL CONSENT AGENDA

Mr. Ogden moved to approve the Consent Agenda, excluding the Finance Report and the CEO Report, supported by Ms. Dreves. Motion approved.

## **Finance Report**

Ms. Dreves requested clarification from Mr. Huelskamp on the Detroit Housing Commission's late payments as noted on the Delinquent Payment Report. Mr. Huelskamp reported that the Detroit Housing Commission is in the process of bringing in initial assets from the City of Detroit for start up and to pay invoices. Ms. Stahl moved to approve the Finance Report, supported by Ms. Dreves. Motion carried.

## **CEO Report**

CEO Wagner reported that the MAPERS Board sent a letter to MERS stating MERS should be considered as a corporate member, due to MERS ISP program and pay the \$600 annual corporate membership fee. After discussion, it was decided that Ms. Wagner will contact MAPERS disputing the corporate ranking, citing MERS non-profit status.

The March 11 legislative meeting and reception schedule was discussed. Meetings will be scheduled with the MERS Board and their respective senators and representatives, followed by a reception at Karoub Associates.

Ms. Dreves moved to approve the CEO Report, supported by Mr. Brown. Motion approved.

## **NEW BUSINESS**

### **Ethics Policy – sign for 2008**

Board members signed the Ethics Policy for the New Year. Oaths of office were signed by new Board members Randy Girard, Beverly Crumley and Michael Brown.

### **Board Appointments and Committees**

The following Board appointments were approved:

**Personnel:** Sally Dreves, Sue Stahl and Randy Girard

**Budget:** Michael Brown, Larry Opelt and John Ogden

**Investments:** Chair Larry Opelt, Bruce Johnson and Dennis Murphy

An observer from the Board will rotate each quarter.

1<sup>st</sup> Quarter: Sally Dreves  
2<sup>nd</sup> Quarter: Beverly Crumley  
3<sup>rd</sup> Quarter: TBD  
4<sup>th</sup> Quarter: TBD

Appointments to the MERS Premier Health Board will be made in March.

### **HCSP Recommendation**

The Board discussed a proposal by the CEO to provide Health Care Savings Plans for Board members. After discussion, it was decided that no action will be taken at this time and the Board will continue the discussion at the March Board meeting.

### **Investment Guidelines**

After review by the Board, Ms. Dreves moved to approve the Investment Guidelines, with the additional wording in section I. B, clause e "reported at next investment meeting," supported by Mr. Brown. Motion approved.

### **Investment Reports**

Mr. Burns reported the portfolio performance for the period ending November 2007 and noted the portfolio is exceeding benchmarks. Ms. Dreves moved to accept the investment reports, supported by Mr. Girard. Motion carried.

### **Investment management Fees Budget Resolution**

The Retirement Board at its November 8, 2006 Meeting adopted the 2007 Budget with an Investment Budget of \$18,777,000 based on \$6,050,463,859 in assets. Due to higher than anticipated market returns for the year, the final assets are estimated to be \$6,230,000,000. CFO Huelskamp is requesting the Board adopt the 2007 Budget Resolution Amendment increasing investment manager fees by \$3,095,000. Ms. Stahl moved to adopt the 2007 Budget Resolution Amendment, supported by Ms. Dreves. Motion carried.

***NO FEBRUARY 2008 BOARD MEETING***

**MARCH 11-12, 2008 BOARD MEETING**

### **BOARD APPOINTMENT**

Ms. Stahl moved to appoint Mr. Bruce Johnson to another 3-year term (ending December 31, 2010) on the board as a public member, supported by Mr. Girard. Motion carried.

### **OLD BUSINESS**

#### **Service Credit Purchase**

Moved by Mr. Girard to approve the Service Credit Purchase Installment Plan as recommended by the MERS staff Working Group at the January meeting, supported by Ms. Stahl. The provisions and plan features, including 8.25% charged for interest rate and .25% for administration cost will be stated on the MERS form. Motion approved.

#### **HCSP Benefit Proposal**

Mr. Murphy moved to approve the proposal by CEO Wagner at the January Board meeting to provide Health Care Savings Plans for Board members starting January 1, 2009, supported by Mr. Girard. Plan details and opt out provisions will be provided at the May meeting.

#### **Annual Meeting**

Ms. Stahl moved to approve the proposal to hold the 2010 Annual Meeting at the Radisson Plaza Hotel in Kalamazoo, supported by Ms. Dreves. Motion carried.

CEO Wagner proposed a scholarship program to cover 2008 Annual Meeting registration fees and hotel costs for members on a first come, first served basis, sponsored with available funds provided by MERS investment manager. Moved by Ms. Dreves to proceed with the program, supported by Mr. Johnson. Motion carried.

## **Plan Update**

Moved by Ms. Stahl, supported by Ms. Dreves, that the Retirement Board adopt and approve:

The Tribal Government Retirement System Plan Document – Defined Benefit and all related Exhibits, in the form as approved through the February 2, 2007 IRS letter of approval;

The Tribal Government Retirement System Plan Document – Defined Contribution and all related Exhibits, in the form as currently pending before IRS in its review as of January 25, 2008, provided however, in the event any remedial changes in, additions to, or deletions from the TGRS Plan Document – Defined Contribution shall hereafter be deemed appropriate by MERS Chief General Counsel as being necessary, desirable or proper to come into compliance with the requirements under federal or state or other legal authority, such changes may be made and submitted to IRS; provided further, that any such changes in, additions to or deletions to the extent made effective, shall thereafter be approved by the Retirement Board. Motion carried.

## **Closed Session**

Ms. Stahl moved to go to closed session to review the minutes of the January 2008 closed session and discuss an update to a confidential attorney-client matter by Chief General Counsel Moquin, supported by Ms. Dreves.

Roll Call:     Mr. Opelt:     Yes  
                  Ms. Stahl:     Yes  
                  Ms. Dreves:    Yes  
                  Mr. Murphy:    Yes  
                  Mr. Ogden:     Yes  
                  Mr. Girard:     Yes  
                  Mr. Brown:     Yes  
                  Ms. Crumley:   Yes  
                  Mr. Johnson:   Yes

The Board moved back into open session. In open session Mr. Girard moved to approve the closed session minutes, supported by Mr. Ogden. Motion approved.

## **GENERAL CONSENT AGENDA**

Ms. Stahl moved to approve the Consent Agenda, excluding the Delinquent Municipalities Report, supported by Mr. Murphy. Motion approved.

## **Finance Report**

Ms. Dreves requested clarification from Mr. Huelskamp on the Detroit Housing Commission's late payments as noted on the Delinquent Payment Report. Mr. Huelskamp reported that the Detroit Housing Commission's payment is expected this month. Ms. Dreves moved to approve the Finance Report, supported by Mr. Girard. Motion carried.

## **NEW BUSINESS**

### **Authorized Signatories Resolution**

Ms. Dreves moved to approve the updated Authorized Signatories Resolution as requested by MERS Finance Department, supported by Mr. Murphy. Motion carried.

***NO APRIL 2008 BOARD MEETING***

**MAY 13-14, 2008 BOARD MEETING**

## **OLD BUSINESS**

### **Revised Amortization Policy**

As recommended by Chief General Counsel Moquin, Ms. Stahl moved to approve the Amended Amortization Policy for Closed Divisions Within Open Municipalities as approved by the Retirement Board February 12, 2003, and amended May 8, 2007 as follows:

For closed divisions within municipalities that are still actively participating in MERS, the maximum amortization period for positive unfunded accrued liabilities shall begin at: Standard MERS-wide amortization is 29 years for the December 31, 2006 valuation, then declining one year each subsequent valuation year, until 20 year amortization is attained in the 2015 Valuation (Plan Section 43C)), with the resulting period further reduced by 2 years in each subsequent annual actuarial valuation, compared to the preceding valuation, with a minimum amortization period of 5 years.

Motion approved by Mr. Ogden, motion carried.

### **GRS - MERS 2008 Retainer Contract**

After recommendation by Chief General Counsel Moquin, Ms. Dreves moved to amend the original Actuarial Services Contract as approved by the Board on November 13, 2002, as follows, "By mutual agreement of the parties, the contract may be renewed on a year-to-year basis, without rebidding, up to four (4) additional years, at the end of the contract term." The amending action will authorize subsequent Board approval of the 2008 contract, and will at the same time require re-bidding the contract next year. Supported by Mr. Murphy. Motion carried.

### **Experience Study Recommendations**

Mr. Alan Sonnanstine, senior actuary from Gabriel, Roeder, Smith & Company, presented the MERS (1999 – 2003) Experience Study - Update 3 (May 14, 2008). He summarized the findings of the Update, as earlier discussed at the March meeting, and made 3 recommendations concerning non-economic assumptions. Upon consideration of his presentation, Randy Girard moved, and Larry Opelt seconded, adoption of the following provisions of the Update:

1. Adopt the proposed withdrawal rates effective for the December 31, 2008 annual valuations.
2. Adopt the proposed retirement rates effective for the December 31, 2009 annual valuations.
3. Adopt the proposed FAC assumptions effective for the December 31, 2010 annual valuations.

Additionally, so as to provide advance notification for the municipalities, the Board directed the Actuary and staff as follows:

After completion of the 2007 annual actuarial valuations, the 2007 valuation results be re-run to determine an updated estimate of the impact of the proposed assumption changes on each municipality. This information shall be provided to all municipalities that are likely to see increased employer contributions in the 2008, 2009 or 2010 actuarial valuations resulting from the adoption of the proposed new assumptions.

Based on the advance notification discussed above, municipalities shall be given the option to request earlier implementation of the new assumptions (which MERS may encourage). Should a municipality request that a revised 2007 actuarial valuation be completed (using any of the new assumptions), the standard fee for revised annual valuations shall apply.

Motion carried.

#### **Authorized Signatories Resolution**

Following Board approved of the resolution at the March meeting, it was determined that the Investments department had mistakenly been deleted from the authorization list. Moved by Mr. Girard, supported by Ms. Dreves that the Investments Department be included in the Authorized Signatories Resolution. Motion carried.

#### **Closed Session**

Ms. Stahl moved to go to closed session to review the minutes of the March 12, 2008 closed session. Supported by Ms. Dreves.

Roll Call:     Mr. Opelt:     Yes  
                  Ms. Stahl:     Yes  
                  Ms. Dreves:    Yes  
                  Mr. Murphy:    Yes  
                  Mr. Ogden:     Yes  
                  Mr. Girard:     Yes  
                  Mr. Brown:     Yes  
                  Ms. Crumley:   Yes  
                  Mr. Johnson:    Yes

The Board moved back into open session. In open session Mr. Girard moved to approve the closed session minutes, supported by Mr. Ogden. Motion carried.

## **GENERAL CONSENT AGENDA**

Ms. Stahl moved to approve the Consent Agenda, excluding the Finance and Legal Reports, supported by Ms. Dreves. Motion carried.

### **Finance Report**

Mr. Huelskamp reviewed investment fees, administration expenses, continued delinquent payments for housing commissions and Mr. Moquin explained policies and procedures on delinquent payments.

### **Legal Report**

Mr. Moquin updated the Board on Highland Park, Hurley Hospital and ongoing securities litigation.

Ms. Dreves moved to approve the Finance and Legal Reports, supported by Mr. Johnson. Motion carried.

## **NEW BUSINESS**

### **CEM Benchmarking Report**

The Cost Effective Measurement (CEM) benchmarking report was sent to the Board for review, and was summarized by Deb Peake, Chief Employee and Retiree Services Officer. Ms. Dreves moved to receive and file the report, supported by Mr. Murphy. Motion carried

## **MERS PREMIER HEALTH**

### **HCSP – DC Investment Options Rule**

Ms. Stahl moved for conditional approval to a Section 2.03 (e) Rule which will implement four investment options to HCSP. The Legal Department will provide the Board with the Rule at the July meeting for Board ratification and approval. Supported by Ms. Dreves. Motion carried.

### **Letter of Credit**

Moved by Ms. Dreves and supported by Mr. Johnson to renew the existing Letter of Credit for MERS Premier Health with State Street as set forth in the Letter of Credit Resolution. Motion carried.

### **MERS Board appointee (and reappointment) to MERS Premier Health**

Moved by Mr. Murphy and supported by Ms. Dreves to appoint MERS Board Chairperson Larry Opelt as MERS Premier Health Board of Trustees as a MERS-Board appointee, and reappoint Employer Representative Anne Wagner, both for respective terms ending December 31, 2010, with the latter appointment subject to her election to the full term by the Delegates at the 2008 Premier Health Annual Meeting. Motion carried.

### **Alliance Agreement renewal (MERS and Premier Health)**

In December 2004, following approval by both governing Boards, an Alliance Agreement was signed between MERS and MERS Premier Health where MERS provided administrative support for the Trust. This agreement was effective for three years beginning January 2005. At its May 6, 2008 meeting, the MERS Premier Health Board of Trustees approved the Agreement and

formally requested the MERS Board to do so. Mr. Girard moved to approve the 3 year Alliance Agreement renewal, supported by Ms. Dreves. Motion carried.

### **Pension Options Plan Change Request**

In January, the staff received a request from a member to make a change in the Plan Document Section 23(1) to allow a retiree to change the survivor beneficiary option. After discussion, Mr. Johnson moved to direct this issue to the MERS staff and actuary for further review and report to the board. Supported by Ms. Dreves. Motion carried.

***NO JUNE 2008 BOARD MEETING***

**JULY 8-9, 2008 BOARD MEETING**

### **GENERAL CONSENT AGENDA**

Ms. Stahl moved to approve the Consent Agenda, excluding the CEO and Investment Reports, supported by Ms. Dreves. Motion carried.

### **CEO Report**

CEO Wagner recommended Board approval of the 2008 capital budget line item for UNIX servers to be used for a leased web based phone system. Ms. Stahl moved to approve the request, supported by Mr. Ogden. Motion carried.

### **Investment Report**

Mr. Burns stated the portfolio performance for June 30, 2008: one year -2.2% versus the policy benchmark at -2.9%; three years 7.8% versus 7.2%; and five years at 10.4% versus 9.4%. The Russell 3000 for those same periods returned -12.7%, 4.7% and 8.3%. The Lehman Aggregate Bond Index for those same periods returned: 7.1%, 4.1% and 3.8%. The diversification of the portfolio provides protection in down markets as is evidenced in the returns. Mr. Burns reported the Investment Committee voted to terminate Ariel Funds, a mid-cap equity manager, due to underperformance. Mr. Burns requested Board approval of the Investment Committee recommendation to increase the allocation to commodities from 3% to 5%. Ms. Dreves moved to approve the increase in allocation to the commodities fund, supported by Mr. Girard. Motion carried.

Ms. Dreves moved to approve the CEO Report and Investment Report, supported by Mr. Girard. Motion carried.

### **Closed Session**

Mr. Girard moved to go to closed session to discuss an update to Attorney Client written memorandum and discuss alternative (private equity) investment information. Supported by Ms. Dreves.



Roll Call: Mr. Opelt: Yes  
Ms. Stahl: Yes  
Ms. Dreves: Yes  
Mr. Murphy: Yes  
Mr. Ogden: Yes  
Mr. Girard: Yes  
Mr. Brown: Yes  
Ms. Crumley: Yes  
Mr. Johnson: Yes

Motion carried.

The Board moved back into open session. In open session Mr. Brown moved to authorize Chief General Counsel to proceed upon concurrence of MERS CEO to come to conclusion on the case in the manner discussed in closed session. Supported by Ms. Stahl. Motion carried.

Mr. Girard moved to approve the increase in Letter of Credit Resolution with State Street Bank and Trust Co. as discussed in closed session. Supported by Ms. Dreves. Motion carried.

### **NEW BUSINESS**

#### **Public Comment Rules**

Mr. Murphy moved to approve the Public Comment Guidelines Resolution as recommended by Chief General Counsel Moquin's memorandum dated May 13, 2008 and to adopt said Guidelines as part of MERS Board Governance Policy. Supported by Ms. Dreves. Motion carried.

#### **Lee v MERS & SMART**

Mr. Ogden moved to approve the hearing officer's recommendation granting petitioner's application for non-duty disability. Supported by Ms. Dreves. Motion carried.

#### **Staffing Request**

Mr. Girard moved to adopt the 2008 Budget Resolution Amendment increasing total Board approved staff positions by two additional people. Supported by Ms. Dreves. Motion carried.

***NO AUGUST 2008 BOARD MEETING***

**SEPTEMBER 30 and OCTOBER 2, 2008 BOARD MEETING**

#### **CALL TO ORDER**

Ms. Stahl moved to excuse Mr. Dennis Murphy and Mr. John Ogden, supported by Ms. Dreves. Motion carried.

## **OLD BUSINESS**

### **HCSP Option Language Resolution**

Moved by Mr. Brown and supported by Ms. Stahl to approve Trust rule 2.03(e) as recommended by Chief General Counsel Moquin and concurred by Chief Marketing and Employer Services Officer Carrie Lombardo as follows:

1. Effective January 1, 2009, a participant (or dependent if applicable) may, by written investment direction provided to the Program Administrator, direct that HCSP account balance be invested in whole or in part in one (or more) of the following investment choices:
  - MERS Cash Management Fund is designed to be a source for investors requiring a short term liquid investment.
  - MERS Diversified Bond Fund seeks reduced volatility and enhanced returns over the long-term for fixed incomes investing – through both US and global exposure.
  - MERS Established Market Fund offers both a professionally managed and diversified portfolio mix for investors seeking exposure to the historically well-established areas of the investment universe – stocks and bonds (excludes private equity and real estate).
  - MERS Total Market Fund – Well diversified income utilizing MERS defined benefit portfolio allocations.
2. The default option for a participant (or dependent if applicable) who does not have a valid investment direction on file with the Program Administrator shall be (and is affirmed as being) the MERS Total Market Fund.
3. The Program Administrator may revise, delete, add, or amend the investment choices set forth in subsection (1) upon 14 business days written notice to all Participants (or dependents if applicable), setting the effective date of the action. The Program Administrator shall provide notice of such action to the Board and MERS Chief Executive Officer.

Motion carried.

### **Pension Options: Plan Section 23 Amendment**

Upon consideration of the September 17, 2008 Memorandum of the Legal Department, Ms. Stahl moved to conditionally amend Plan Section 23 to provide retirees the ability to select post-retirement spousal benefit options. By this conditional approval, as provided in the Member Comment procedure, the Board requests comments by MERS members on the proposed revisions. Member Comment may be made through December 31, 2008, for further (including final) consideration by the Board at its January 14, 2009 meeting. Supported by Mr. Brown. Motion carried.

## **GENERAL CONSENT AGENDA**

Mr. Girard moved to approve the Consent Agenda, excluding the CEO, Investments and Finance Reports, supported by Ms. Dreves. Motion carried.

### **CEO Report**

CEO Wagner recommended Board approval for reallocation of \$250,000 from the sinking fund for expansion of the server room and to upgrade electrical service. Ms. Stahl moved to approve the request, supported by Ms. Dreves. Motion carried.

### **Investment Report**

Mr. Burns reviewed the investment reports for the period ending June 30, 2008, with a return rate of -2.98% and a year to date rate of -8.7%. The diversification of the portfolio provides protection in down markets and the investment staff will continue to capitalize on opportunities and make changes when appropriate. Mr. Burns reported the Investment Committee voted to terminate Western Assets, a fixed income manager, due to underperformance.

Ms. Dreves moved to approve the CEO Report, Finance Report and Investments Report, supported by Mr. Johnson. Motion carried.

### **Closed Session**

Mr. Girard moved to go to closed session to approve closed session minutes and discuss a confidential Attorney-Client written memorandum. Supported by Ms. Dreves.

Roll Call:     Mr. Opelt: Yes  
                  Ms. Stahl: Yes  
                  Ms. Dreves: Yes  
                  Mr. Girard: Yes  
                  Mr. Brown: Yes  
                  Ms. Crumley: Yes  
                  Mr. Johnson: Yes

Motion carried.

The Board moved back into open session. In open session, Ms. Stahl moved to approve the closed session minutes, supported by Ms. Dreves. Motion carried.

In open session, Mr. Girard moved to take the action discussed in closed session for the reasons stated in the Legal Department's written attorney client memorandum. Supported by Ms. Dreves. Motion carried.

### **NEW BUSINESS**

#### **Resolution for Retiring Public Member Dennis Murphy**

Ms. Stahl moved to approve the resolution commending retiring Board Member Dennis Murphy for his years of service to the Board, supported by Mr. Johnson. Motion carried.

#### **Steven M. Herron v MERS**

Ms. Stahl moved to approve the hearing officer's recommendation granting Petitioner's application for non-duty disability. Supported by Ms. Dreves. Motion carried.

**MERS Plan Document – approve IRS filing for updated letter of Favorable Determination**

Moved by Ms. Dreves and supported by Mr. Girard to authorize the Legal Department to direct the filing with the Internal Revenue Service of MERS 2008 Application for Favorable Tax Determination of the MERS Plan Document, and take such further actions as may be necessary and advisable to secure issuance of a Letter of Favorable Determination, and to advise the Board on the status of the pending application. Motion carried.

**Tribal Government and Non-Profit Organization Retirement System Defined Benefit Plan – IRS filing for updated IRS Volume Submitter Plan**

Moved by Mr. Girard and supported by Ms. Dreves to approve the Tribal Government and Non-Profit Organization Retirement System (TGNORS) Trust Agreement, along with the TGNORS Plan Document – Defined Benefit Program; and authorize the Legal Department to direct the filing with the Internal Revenue Service of MERS 2008 Application for pre-approval of the volume submitter plan for TGNORS, to take such further actions as may be necessary and advisable to secure such pre-approval, and to periodically advise the Board on the status of the pending application. Motion carried.

**Annual Actuarial Valuation Report – Alan Sonnanstine, GRS**

Alan Sonnanstine, Senior Actuary, reviewed the Annual Actuary Valuation Report dated December 31, 2007. Ms. Stahl moved to receive and file the report, supported by Ms. Dreves. Motion carried.

***NO OCTOBER 2008 BOARD MEETING***

**NOVEMBER 12-13, 2008 BOARD MEETING**

**CALL TO ORDER**

Mr. Ogden moved to excuse Ms. Stahl and Mr. Girard, supported by Ms. Dreves. Motion carried.

**GENERAL CONSENT AGENDA**

Ms. Dreves moved to approve the Consent Agenda, excluding the CEO Report, supported by Mr. Murphy. Motion carried.

**Closed Session**

Ms. Dreves moved to go to closed session to discuss the CEO's annual evaluation, discuss an investment opportunity referenced in the CEO report and to approve closed session minutes. Supported by Ms. Crumley.

Roll Call: Mr. Opelt: Yes  
Ms. Dreves: Yes  
Mr. Brown: Yes  
Ms. Crumley: Yes

Mr. Johnson: Yes  
Mr. Ogden: Yest  
Mr. Murphy: Yes

Motion carried.

The Board moved back into open session. In open session, Mr. Ogden moved to take the action recommended in CEO Report as discussed in closed session, supported by Ms. Dreves. Motion carried.

In open session, Ms. Dreves moved to approve the closed session minutes, supported by Ms. Crumley. Motion carried.

### **NEW BUSINESS**

#### **2009 Budget**

CFO Huelskamp reviewed the 2009 Budget Resolution. After discussion, Mr. Murphy moved to adopt the 2009 Budget Resolution as presented, supported by Mr. Ogden. Motion carried.

#### **Audit Results – Andrews, Hooper and Pavlic**

Auditors Andrews, Hooper and Pavlic presented their findings of the 2007 audit of MERS financial statements and declared a clean, unqualified opinion on the financial statements.

Mr. Johnson moved to receive and file the report, supported by Ms. Dreves. Motion carried.

#### **2009 Board Meeting Schedule**

Ms. Dreves moved to approve the 2009 Board Meeting Schedule as presented. Supported by Mr. Johnson. Motion carried.

***NO DECEMBER 2008 BOARD MEETING***

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